

Public Hearing: February 24, 2014

FACT SHEET

TITLE: Sale of City-owned property located at 2206 E Street

SPONSOR: Urban Development Department

OPPONENTS: None

OTHER DEPARTMENTS AFFECTED:
None aware of

STAFF RECOMMENDATION: For

APPLICANT: Urban Development Dept.

REASON FOR LEGISLATION: Article II, Section 2 of the City Charter provides that the sale of any real estate having a value in excess of \$10,000 must be authorized by City Council ordinance.

DISCUSSION

The City of Lincoln obtained title to the property at 2206 E Street which is legally described as the South 95 feet of Lot 9, Block 5, Houtz Place in August of 2013. The original property owner borrowed money from the City through one of its home improvement loan programs. The owner died, and the heirs through mismanagement let the property fall into disrepair and were unable to sell it on the open market and no longer wanted the property. In order to avoid the foreclosure process and to satisfy the debt owed to the City, the estate deeded the property to the City. Rehabilitation of the property was not a viable option, and the property was eventually demolished.

The City has now received an offer to purchase this vacant lot from Neighborhoods, Inc. for \$20,000. They plan to build new construction residential housing on the property for home ownership purposes. The proceeds from the sale of the lot are required to go back into home improvement loan program and can be used to assist other qualified applicants for home repairs.

The sale of the lot will allow the City to recoup most of its investment, bring in program income, improve the area, put the property back on the tax rolls and relieve the City of maintenance issues related to the property. For these reasons, we recommend approval of the sale.

POLICY OR PROGRAM CHANGE: None

COST OF TOTAL PROJECT: N/A

SOURCE OF FUNDS: N/A

CITY:

NON CITY:

BENEFIT COST: \$20,000

FACT SHEET PREPARED BY: Michelle Backemeyer, Urban Development Department

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